



NABA Spring 2023

Kevin Gould
EVP/Director
(916) 438-4410

kgould@calbankers.com

Jason Lane
VP/Deputy Director
(916) 438-4420

jlane@calbankers.com

Melanie Cuevas
Vice President
(916) 438-4411

mcuevas@calbankers.com

Agricultural Lending

[SB 224](#) (Hurtado D) Agricultural land: foreign ownership and interests: foreign governments.

Location: 2/1/2023-S. JUD.

Summary: Would prohibit a foreign government from purchasing, acquiring, leasing, or holding a controlling interest, as defined, in agricultural land within the State of California. The bill would exempt land held by foreign governments before January 1, 2024, from that prohibition.

Automated Decision Systems

[AB 302](#) (Ward D) Department of Technology: high-risk automated decision systems: inventory.

Location: 2/2/2023-A. P. & C.P.

Summary: Would require the Department of Technology to conduct, on or before September 1, 2024, a comprehensive inventory of all high-risk automated decision systems, as defined, that have been proposed for use, development, or procurement by, or are being used, developed, or procured by, state agencies. The bill would require the comprehensive inventory to include a description of, among other things, the categories of data and personal information the automated decision system uses to make its decisions. On or before January 1, 2025, the bill would require the department to submit a report of the above-described comprehensive inventory to the Legislature.

[AB 331](#) (Bauer-Kahan D) Artificial intelligence.

Location: 1/30/2023-A. PRINT

Summary: The California Fair Employment and Housing Act protects and safeguards the right and opportunity of all persons to seek, obtain, and hold employment without discrimination, abridgment, or harassment on account of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, reproductive health decision

making, or veteran or military status. This bill would state the intent of the Legislature to enact legislation relating to the use of artificial intelligence in accordance with prescribed principles relating to safety and effectiveness, algorithmic discrimination, notice and explanation of use, and human alternatives, consideration, or fallback.

[SB 313](#) (Dodd D) Department of Technology: Office of Artificial Intelligence.

Location: 2/15/2023-S. G.O.

Summary: Would establish, within the Department of Technology, the Office of Artificial Intelligence, and would grant the office the powers and authorities necessary to guide the design, use, and deployment of automated systems by a state agency to ensure that all AI systems are designed and deployed in a manner that is consistent with state and federal laws and regulations regarding privacy and civil liberties and that minimizes bias and promotes equitable outcomes for all Californians.

Bank Operations

[SB 278](#) (Dodd D) Elder abuse.

Location: 2/9/2023-S. B. & F. I.

Summary: Current law defines financial abuse for those purposes of the Elder Abuse and Dependent Adult Civil Protection Act and provides that it occurs when, among other instances, a person or entity takes, secretes, appropriates, obtains, or retains, or assists in taking, secreting, appropriating, obtaining, or retaining, real or personal property of an elder or dependent adult for a wrongful use or with intent to defraud, or both. Current law requires a person or entity to be deemed to have taken, secreted, appropriated, obtained, or retained property for a wrongful use if, among other things, the person or entity takes the property and the person or entity knew or should have known that the conduct is likely to be harmful to the elder or dependent adult. Current law requires the court to award specified costs if a defendant is found liable for financial abuse, as specified. This bill would specifically state that the above-described provision regarding when a person or entity is deemed to have taken property for a wrongful use includes when a person or entity assisted in taking, secreting, appropriating, obtaining, or retaining property for a wrongful use. The bill would state that its provisions are declaratory of existing law.

[AB 306](#) (Sanchez R) Office of Small Business Advocate: one-stop capital shop online platform.

Location: 2/2/2023-A. J., E.D. & E.

Summary: Current law creates the Office of Small Business Advocate (the office) within GO-Biz to be led by the Small Business Advocate, who is appointed by, and serves at the pleasure of, the Governor. Current law requires the Small Business Advocate to, among other things, counsel small businesses on how to resolve questions and problems concerning the relationship of small business to state government. Current law requires the Small Business Advocate to prepare and submit a written annual report to the Governor and to the Legislature that describes the activities and recommendations of the office regarding small business development, as prescribed. This bill would enact the One-Stop Capital Shop Act that would require the office to serve as the lead state government entity for helping California small businesses become finance-ready relative to state programs utilizing certain federal funds. The bill would also require the office, on or before July 1, 2024, to launch the One-Stop Capital Shop online platform to assist small businesses in accessing safe funding opportunities and to reduce barriers in access to affordable capital.

[SB 365](#) (Wiener D) Civil procedure: arbitration.

Location: 2/15/2023-S. JUD.

Summary: Current law authorizes a party to appeal, among other things, an order dismissing or denying a petition to compel arbitration. Current law generally stays proceedings in the trial court on the judgment or order appealed from when the appeal is perfected, subject to specified exceptions. This bill would additionally prohibit a trial court from staying proceedings during the pendency of an appeal of an order dismissing or denying a petition to compel arbitration.

[SB 54](#) (Skinner D) Professional investors: fair investment practices.

Location: 3/29/2023-S. JUD.

Summary: Would prohibit a professional investor doing business in California from engaging in specified sexual conduct as a basis for a business investment transaction, engaging in specified sexual conduct that has the purpose or effect of unreasonably interfering with an individual's working relationship with a person by creating an intimidating, hostile, humiliating, or sexually offensive environment, or discriminating on the basis of a protected characteristic when sponsoring, guaranteeing, granting, or making available funds. The bill would define various terms for these purposes. The bill would authorize an individual, specified local prosecutors, or the Attorney General to bring a civil action for a violation of these provisions, and authorize a court to grant specified relief in that action. The bill would require the Civil Rights Department, in consultation with the Attorney General and the Secretary of State, to establish compliance guidelines to assist professional investors in complying with these provisions, as specified, including by advising professional investors to submit a report to the department at least once every 3 years that includes specified information. The bill would make it an affirmative defense in an action described above if the professional investor can demonstrate by a preponderance of the evidence that the professional investor complied with the compliance guidelines and submitted the report within the previous 3 years.

[SB 365](#) (Wiener D) Civil procedure: arbitration.

Location: 2/15/2023-S. JUD.

Summary: Current law authorizes a party to appeal, among other things, an order dismissing or denying a petition to compel arbitration. Current law generally stays proceedings in the trial court on the judgment or order appealed from when the appeal is perfected, subject to specified exceptions. This bill would additionally prohibit a trial court from staying proceedings during the pendency of an appeal of an order dismissing or denying a petition to compel arbitration.

[SB 478](#) (Dodd D) Consumers Legal Remedies Act: advertisements.

Location: 2/22/2023-S. JUD.

Summary: The False Advertising Law makes it a crime for a person or a firm, corporation, or association, or any employee thereof, to engage in specified false or misleading advertising practices. The Unfair Competition Law makes various unfair competition practices unlawful, including any unlawful, unfair, or fraudulent business act or practice and unfair, deceptive, untrue, or misleading advertising. This bill would additionally make unlawful advertising, displaying, or offering a price for a good or service that does not include all mandatory fees or charges other than taxes imposed by a government.

[SB 581](#) (Caballero D) Third-party litigation financing.

Location: 2/22/2023-S. JUD.

Summary: Would prohibit a litigation financier, as defined, from engaging in a litigation financing transaction in California unless it is registered with the Secretary of State in accordance with certain procedures, including filing an application and surety bond. The bill would prohibit a litigation financier from taking certain actions, including paying or offering commissions, referral fees, or other forms of consideration to a legal representative, medical provider, or any of their employees for a referral to that financier, or making false or misleading statements.

[SB 637](#) (Min D) Financial institutions doing business with firearms manufacturers: ban on doing business with the state.

Location: 2/16/2023-S. RLS.

Summary: Current law prohibits certain state trust funds from making or holding investments in business firms or financial institutions that engage in specified discriminatory business practices. This bill would state the intent of the Legislature to subsequently amend this bill to include provisions that would prohibit financial institutions that do business with gun manufacturers from doing business with the state of California.

[AB 1076](#) (Bauer-Kahan D) Contracts in restraint of trade: noncompete agreements.

Location: 3/2/2023-A. L. & E.

Summary: The Unfair Competition Law (UCL) makes various practices unlawful and makes a person who engages in unfair competition liable for a civil penalty, as specified. Current law provides for enforcement of these provisions exclusively by the Attorney General or other specified local agency attorneys. This bill would codify current case law by specifying that the statutory provision voiding noncompete contracts is to be broadly construed to void the application of any noncompete agreement in an employment context, or any noncompete clause in an employment contract, no matter how narrowly tailored, that does not satisfy specified exceptions. The bill would state that this provision is declaratory of existing law. The bill would make these provisions applicable to contracts where the person being restrained is not a party to the contract.

[AB 1116](#) (Grayson D) Money Transmission Act.

Location: 3/20/2023-A. APPR.

Summary: The Money Transmission Act provides for certain exemptions from the act, including an exemption for the United States or a department, agency, or instrumentality thereof, including a federal reserve bank and a federal home loan bank. This bill would, among other things, additionally exempt from the act a person that acts as an intermediary by processing money transmission between an entity that has directly incurred an outstanding money transmission obligation to a sender and the sender's designated recipient, if the entity meets certain criteria, including that the entity is properly licensed or exempt from licensing requirements under the act. The bill would also exempt a registered futures commission merchant under the federal commodities laws to the extent of its operation as such a merchant.

[AB 1448](#) (Wallis R) Cannabis: enforcement by local jurisdictions.

Location: 3/9/2023-A. B.&P.

Summary: The Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), among other things, consolidates the licensure and regulation of commercial medicinal and adult-use cannabis activities. MAUCRSA establishes the Department of Cannabis Control within the Business, Consumer Services, and Housing Agency to administer the act, and requires the department to be under the supervision and control of a director. Under MAUCRSA, a person engaging in commercial cannabis activity without a license is subject to civil penalties, as specified. MAUCRSA requires, in an action for civil penalties brought by the Attorney General, a county counsel, a city attorney, or a city prosecutor, the penalty first be used to reimburse the prosecuting agency for specified costs of bringing the action, with the remainder, if any, to be deposited in the General Fund. This bill would recast those provisions to require, in an action brought by a county counsel, city attorney, or city prosecutor, the penalty first be used to reimburse the prosecuting agency for specified costs in bringing the action, with 50% of the remainder, if any, paid to the county or city, as applicable, and the other 50% to be deposited into the General Fund.

Climate-Related Disclosure

[SB 253](#) (Wiener D) Climate Corporate Data Accountability Act.

Location: 2/9/2023-S. E.Q.

Summary: Would require the State Air Resources Board, on or before January 1, 2025, to develop and adopt regulations requiring United States partnerships, corporations, limited liability companies, and other business entities with total annual revenues in excess of \$1,000,000,000 and that do business in California, defined as "reporting entities," to publicly disclose to the emissions registry, as defined, and verify, starting in 2026 on a date to be determined by the state board, and annually thereafter, their greenhouse gas emissions, categorized as scope 1, 2, and 3 emissions, as defined, from the prior calendar year, as provided. The bill would require the state board, on or before January 1, 2030, to review, and update as necessary, these deadlines to evaluate trends in scope 3 emissions reporting and to consider changes to the deadlines, as provided. The bill would require reporting entities to disclose their greenhouse gas emissions in a manner that is easily understandable and accessible to residents of the state. The bill would require reporting entities to ensure that their public disclosures have been independently verified by the emissions registry or a third-party auditor, approved by the state board, with expertise in greenhouse gas emissions accounting. The bill would require the state board, in developing these regulations, to consult with the Attorney General, other government stakeholders, investors, stakeholders representing consumer and environmental justice interests, and reporting entities that have demonstrated leadership in full-scope greenhouse gas emissions accounting and public disclosure and greenhouse gas emissions reductions.

[SB 261](#) (Stern D) Greenhouse gases: climate-related financial risk.

Location: 2/9/2023-S. E.Q.

Summary: The California Global Warming Solutions Act of 2006 requires the State Air Resources Board to make available, and update at least annually, on its internet website the emissions of greenhouse gases, criteria pollutants, and toxic air contaminants for each facility that reports to the state board, as provided. Under the act, a violation of a rule, regulation, order, emission limitation, emission reduction measure, or other measure adopted by the state board under the act is a crime. This bill would require, on or before December 31, 2024, and annually thereafter, a covered entity, as defined, to prepare a climate-related financial risk report disclosing the entity's

climate-related financial risk and measures adopted to reduce and adapt to climate-related financial risk disclosed. The bill would require the covered entity to submit to the state board, and make available to the public on its own internet website, a copy of the report and to submit to the Secretary of State a statement affirming, not under penalty of perjury, that the report discloses climate-related financial risk. The bill would also set forth the duties of the Climate-Related Risk Disclosure Advisory Group, as specified, including the duty to collect and review climate-related financial risk reports received in the prior calendar year and the duty to annually prepare a public report that contains specified information, including a review of the disclosure of climate-related financial risk contained in climate-related financial risk reports and an analysis of the systemic and sectorwide climate-related financial risks facing the state.

Commercial Lending

[SB 33](#) **(Glazer D) Commercial financing: disclosures.**

Location: 1/18/2023-S. B. & F. I.

Summary: Current law requires a provider who extends a specific offer of commercial financing to a recipient, as defined, to disclose specified information relating to that transaction to the recipient and to obtain the recipient's signature on that disclosure before consummating the commercial financing transaction. Current law, until January 1, 2024, requires a provider to disclose the total cost of financing expressed as an annualized rate. Current law authorizes a provider who offers financing that is factoring or asset-based lending, in lieu of the disclosure described above, to provide an alternative disclosure that may be based on an example of a transaction that could occur under the general agreement for a given amount of accounts receivables and that meets specified requirements. Current law, until January 1, 2024, requires that alternative disclosure to disclose the total cost of financing expressed as an annualized rate. Current law requires the Commissioner of Business Oversight to adopt regulations governing these disclosure requirements, and requires those regulations to include specified information and determinations, including, among other things, the appropriate method to express the annualized rate and the types of fees and charges to be included in the calculation. Current law makes providers subject to examination and enforcement by the commissioner under California Financing Law (CFL) for any violation of these provisions or of any rule or order adopted pursuant to these provisions, as specified. The CFL authorizes the commissioner to bring an action to enjoin, as specified, against a person who, in the commissioner's estimation, has violated or is about to violate the CFL, and authorizes the imposition of civil penalties to that effect. This bill would require providers to continue to include in the disclosures and alternative disclosures the total cost of financing expressed as an annualized rate, as described above, indefinitely.

[SB 95](#) **(Roth D) Commercial transactions.**

Location: 1/25/2023-S. JUD.

Summary: Current provisions of the Commercial Code generally govern commercial transactions. This bill would revise those provisions generally in accordance with the revisions to Articles 1, 2, 2A, 3, 4A, 5, 7, 8, and 9 of, the addition of Article 12 to, and the addition of specified general provisions and definitions, transitional provisions, and effective date provisions to, the Uniform Commercial Code, as proposed in the 2022 Amendments to the Uniform Commercial Code by the National Conference of Commissioners on Uniform State Laws. Specifically, among other revisions, this bill would add provisions governing control of, and rights to, electronic money, controllable electronic records, controllable accounts, and controllable payment intangibles, as defined. The bill

would make changes to the valid signing of records and would also make various conforming changes.

[SB 666](#) (Min D) Small business: loan fees.

Location: 3/29/2023-S. B. & F. I.

Summary: The California Financing Law (CFL) prohibits a person from engaging in the business of a finance lender or broker without obtaining a license from the Commissioner of Financial Protection and Innovation. The CFL generally regulates commercial loans made by licensees. The law defines various terms for these purposes. This bill would prohibit a licensee from charging specified fees in connection with a financing transaction with a small business, including, among others, a fee for accepting or processing a payment required by the terms of the financing contract as an automated clearinghouse transfer debit, a fee for providing a small business with documentation prepared by the licensee that contains a statement of the amount due to satisfy the remaining debt, as specified, and a fee in addition to a loan origination fee that does not have a clear corresponding service provided for the fee, as specified.

Consumer Lending

[AB 74](#) (Muratsuchi D) Vehicles: street takeovers, sideshows, and racing.

Location: 3/23/2023-A. TRANS.

Summary: Would make it a crime for a person to knowingly attend, participate in, or aid and abet the commission of, a vehicle sideshow or street takeover, as defined. The bill would make a violation of this offense punishable as a misdemeanor or felony if the person convicted is a performing driver, as specified. The bill would make a violation of this offense punishable as a misdemeanor if the person convicted is not a performing driver, including a spectator or passenger in a performing vehicle, as specified. The bill would, if the convicted person is a performing driver, authorize the court to have the performing vehicle impounded for up to 30 days and require the court to suspend the driver's license for 90 days to 6 months. The bill would impose 2 violation points against a driver's record for a conviction of this offense. The bill would change the commencement date of the above-mentioned license suspension provisions to January 1, 2024, and include the crimes of reckless driving and attending, participating, or aiding and abetting in a vehicle sideshow or street takeover in these provisions. The bill would additionally make it a crime for a person to operate a motor vehicle at any time when that person's driving privilege is suspended or revoked for a conviction of attending, participating, or aiding and abetting in a vehicle sideshow or street takeover, if the person has knowledge of the suspension or revocation. The bill would make a violation of this offense punishable as a misdemeanor, as specified. By creating new crimes and increasing punishments for existing crimes, this bill would impose a state-mandated local program.

[AB 1103](#) (Weber D) Deferred interest financing: notice.

Location: 3/9/2023-A. B. & F.

Summary: Would require a person who offers a deferred interest period to consumers to provide effective notice to a consumer when a deferred interest period, as defined, is coming to an end. The bill would define "effective notice" to mean notice that is, among other things, reasonably calculated, and intended in good faith, to inform a consumer that a deferred interest period is ending.

Debt Collection

[AB 1119](#) (Wicks D) **Enforcement of judgments.**

Location: 2/15/2023-A. PRINT

Summary: Current law permits a judgment creditor to apply to the court for an order requiring the judgment debtor, or another person who is in possession and control of property of the judgment debtor, to appear before the court to provide information to aid in the enforcement of a money judgment, as specified. Current law requires the judgment creditor to personally serve a copy of that order on the judgment debtor not less than 10 days before the date set for the examination. Current law permits the court to issue a warrant for the arrest of, a warrant to compel the attendance of, and may hold in contempt, a judgment debtor who fails to appear in response to such an order. This bill would extend the notice of the examination required to be given to the judgment debtor to not less than 30 days before the examination, and would provide that, instead of appearing for examination, a judgment debtor may file a financial affidavit under penalty of perjury stating that their income and assets are exempt from enforcement. If the judgment debtor files an affidavit, the bill would require the court to cancel the financial examination unless the judgment creditor presents evidence to the contrary and the court determines that there are non-exempt assets warranting the examination.

[AB 1389](#) (Carrillo, Wendy D) **Notice of levy.**

Location: 2/17/2023-A. PRINT

Summary: Current law provides for penalties and interest if any person or employing unit is delinquent in the payment of any contributions for unemployment insurance, and authorizes the Director of Employment Development to enforce any state tax liens against a delinquent account receivable or account held by a financial institution if proper notice is given. Current law requires the person receiving a notice of levy, if the levy is made on an account receivable, to remit any credits or personal property owing to the delinquent person or employing unit to the Employment Development Department within 5 days of receipt of the notice of levy. Current law also requires a person that comes into possession of credits or property owing to a delinquent person or employing unit within one year of receipt of the notice of an accounts receivable levy to remit the credits or property to the department within 5 days of coming into possession of the credits or property. Current law requires a financial institution receiving a notice of levy to remit the property to the department within 5 days of receiving the notice of levy, but does not require the financial institution to remit property that is not in their possession at the time the notice of levy is served. This bill would instead require the person in possession of credits or property owing to the delinquent person or employing unit to remit the credits or property to the department after 10 but no later than 14 business days after service of the levy. The bill would also require a person coming into possession of credits or property owing to the delinquent person or employing unit within one year of receipt of the notice of levy to remit the credits or property to the department after 10 but no later than 14 days after coming into possession of the credits or property.

[AB 1414](#) (Kalra D) **Civil actions: consumer debt.**

Location: 2/17/2023-A. PRINT

Summary: Current law prescribes periods for commencement of various actions. Among others, an action upon book account must be commenced within 4 years of the date of the last item on the account, as specified. Current law defines "book account" for these purposes as a detailed

statement constituting the principal record of transactions between a debtor and a creditor. This bill would exclude consumer credit accounts from the definition of “book account.”

[SB 71](#) (Umberg D) Jurisdiction: small claims and limited civil case.

Location: 1/18/2023-S. JUD.

Summary: Current law provides that the small claims court has jurisdiction over actions seeking certain forms of relief, including money damages in specified amounts and claims brought by natural persons, not exceeding \$10,000, except as specified. Current law requires an action or special proceeding to be treated as a limited civil case if certain conditions exist, including, among others, that the amount in controversy does not exceed \$25,000. This bill would increase the small claims court jurisdiction over actions brought by a natural person, if the amount does not exceed \$25,000, except as specified, and would also increase the amount in controversy permitted in other specified actions within the jurisdiction of the small claims court. The bill would increase the limit on the amount in controversy for an action or special proceeding to be treated as a limited civil case to \$100,000.

[SB 727](#) (Limón D) Human trafficking: civil actions.

Location: 3/1/2023-S. JUD.

Summary: Current law authorizes a person who has been the victim of human trafficking to bring a civil action for damages, as specified, and also to be awarded attorney’s fees and costs. Current law authorizes a plaintiff to be awarded up to 3 times the plaintiff’s actual damages or \$10,000, whichever is greater. This bill would authorize the plaintiff to seek from the judge a finding that specific debts were incurred as a result of trafficking and without the consent of the plaintiff. The bill would provide that acts that would support this finding include, but are not limited to, unlawful use of personally identifiable information, as specified. The bill would provide that the finding would not affect the priority of any lien or other security interest.

Affordable Housing

[ACA 1](#) (Aguiar-Curry D) Local government financing: affordable housing and public infrastructure: voter approval.

Location: 12/5/2022-A. PRINT

Summary: The California Constitution prohibits the ad valorem tax rate on real property from exceeding 1% of the full cash value of the property, subject to certain exceptions. This measure would create an additional exception to the 1% limit that would authorize a city, county, city and county, or special district to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, or the acquisition or lease of real property for those purposes, if the proposition proposing that tax is approved by 55% of the voters of the city, county, or city and county, as applicable, and the proposition includes specified accountability requirements. The measure would specify that these provisions apply to any city, county, city and county, or special district measure imposing an ad valorem tax to pay the interest and redemption charges on bonded indebtedness for these purposes that is submitted at the same election as this measure.

[AB 524](#) ([Wicks D](#)) **Discrimination: family caregiver status.**

Location: 4/12/2023-A. APPR.

Summary: The California Fair Employment and Housing Act (FEHA), which is enforced by the Civil Rights Department, prohibits various forms of employment discrimination and recognizes the opportunity to seek, obtain, and hold employment without specified forms of discrimination as a civil right. The act also makes it an unlawful employment practice for an employer, among other things, to refuse to hire or employ a person because of various personal characteristics, conditions, or traits. This bill would prohibit employment discrimination on account of family caregiver status, as defined, and would recognize the opportunity to seek, obtain, and hold employment without discrimination because of family caregiver status as a civil right, as specified.

[AB 1100](#) ([Low D](#)) **Employment: workweek.**

Location: 2/15/2023-A. PRINT

Summary: Current law generally establishes that 8 hours of labor constitutes a day's work and further establishes a 40-hour workweek. This bill would declare the intent of the Legislature to subsequently amend this bill to include provisions that would establish a 4-day workweek.

[AB 1356](#) ([Haney D](#)) **Relocations, terminations, and mass layoffs.**

Location: 4/12/2023-A. JUD.

Summary: The California Worker Adjustment and Retraining Act governs relocations, terminations, and mass layoffs. Existing law prohibits an employer from ordering a mass layoff, relocation, or termination at a covered establishment unless, 60 days before the order takes effect, the employer gives written notice of the order, as prescribed. Current law exempts certain types of employment from the act, including seasonal employment where the employees were hired with the understanding that their employment was seasonal and temporary (seasonal employment exemption). Existing law makes an employer who fails to give notice as required liable to each employee entitled to notice who lost their employment for prescribed compensation, calculated for the period of the employer's violation, up to a maximum of 60 days, or 1/2 the number of days that the employee was employed by the employer, whichever period is smaller. Current law authorizes the Labor Commissioner to enforce specified provisions of existing law, as prescribed. Current law defines terms for its purposes, including definitions for the terms "employer" and "employee." Current law defines "mass layoff" for purposes of the act to mean a layoff during any 30-day period of 50 or more employees at a covered establishment, and defines "covered establishment" as an industrial or commercial facility that employs, or has employed within the preceding 12 months, 75 or more persons. This bill would require the prescribed notice 90 days before the order takes effect, and would make a conforming change to the calculation of employer liability.

[SB 399](#) ([Wahab D](#)) **Employer communications: intimidation.**

Location: 2/22/2023-S. L., P.E. & R.

Summary: Would, except as specified, prohibit an employer from requiring its employees to attend an employer-sponsored meeting or participate in any communications with the employer or its agents or representatives, the purpose of which is to communicate the employer's opinion about religious matters, political matters, or certain rights guaranteed by the United States Constitution and California Constitution, as defined.

[SB 403](#) (Wahab D) Discrimination on the basis of caste.

Location: 3/29/2023-S. JUD.

Summary: The Unruh Civil Rights Act provides that all persons within the jurisdiction of this state are free and equal, and no matter what their sex, race, color, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, sexual orientation, citizenship, primary language, or immigration status are entitled to the full and equal accommodations, advantages, facilities, privileges, or services in all business establishments of every kind whatsoever. This bill would additionally provide that all persons within the jurisdiction of the state are so entitled regardless of their caste, as defined.

[AB 518](#) (Wicks D) Paid family leave: eligibility: care for designated persons.

Location: 4/12/2023-A. APPR.

Summary: The Unemployment Compensation Disability Fund is continuously appropriated for the purpose of providing disability benefits and making payment of expenses in administering those provisions. Current law establishes, within the above state disability insurance program, a family temporary disability insurance program, also known as the paid family leave program, for the provision of wage replacement benefits for up to 8 weeks to workers who take time off work for prescribed purposes, including to care for a seriously ill family member. Current law defines terms for its purposes, including "family care leave" and "family member." This bill would expand eligibility for benefits under the paid family leave program to include individuals who take time off work to care for a seriously ill designated person. The bill would define "designated person" to mean any individual related by blood or whose association with the employee is the equivalent of a family relationship. The bill would authorize the employee to identify the designated person when they file a claim for benefits. The bill would make conforming changes to the definitions of the terms "family care leave" and "family member."

[SB 616](#) (Gonzalez D) Paid sick days: accrual and use.

Location: 2/22/2023-S. L., P.E. & R.

Summary: Current law requires the paid leave to be accrued at a rate of no less than one hour for every 30 hours worked, and to be available for use beginning on the 90th day of employment. Current law authorizes an employer to use a different accrual method as long as an employee has no less than 24 hours of accrued sick leave or paid time off by the 120th calendar day of employment or each calendar year, or in each 12-month period. Current law also provides that an employer may satisfy the accrual requirements by providing not less than 24 hours or 3 days of paid sick leave that is available to the employee to use by the completion of the employee's 120th calendar day of employment. This bill would modify the employer's alternate sick leave accrual method to instead require that an employee have no less than 56 hours of accrued sick leave or paid time off by the 280th calendar day of employment or each calendar year, or in each 12-month period. The bill would modify that satisfaction provision to authorize an employer to satisfy accrual requirements by providing not less than 56 hours or 7

days of paid sick leave that is available to the employee to use by the completion of the employee's 280th calendar day of employment.

[SB 703](#) (Niello R) Employment: work hours: flexible work schedules.

Location: 3/1/2023-S. L., P.E. & R.

Summary: Would enact the California Workplace Flexibility Act of 2023. The bill would permit an individual nonexempt employee to request an employee-selected flexible work schedule providing for workdays up to 10 hours per day within a 40-hour workweek and would allow the employer to implement this schedule without the obligation to pay overtime compensation for those additional hours in a workday. The bill would prescribe a method for calculating the payment of overtime for hours worked in excess of the permitted amounts and would establish requirements for termination of these agreements. The bill would except from its provisions employees covered by collective bargaining and public employees, as specified. The bill would require the Division of Labor Standards Enforcement in the Department of Industrial Relations to enforce this provision and adopt regulations.

[SB 727](#) (Limón D) Human trafficking: civil actions.

Location: 3/1/2023-S. JUD.

Summary: Current law authorizes a person who has been the victim of human trafficking to bring a civil action for damages, as specified, and also to be awarded attorney's fees and costs. Current law authorizes a plaintiff to be awarded up to 3 times the plaintiff's actual damages or \$10,000, whichever is greater. This bill would authorize the plaintiff to seek from the judge a finding that specific debts were incurred as a result of trafficking and without the consent of the plaintiff. The bill would provide that acts that would support this finding include, but are not limited to, unlawful use of personally identifiable information, as specified. The bill would provide that the finding would not affect the priority of any lien or other security interest.

[SB 809](#) (Smallwood-Cuevas D) California Fair Employment and Housing Act: Fair Chance Act of 2023: conviction history.

Location: 3/1/2023-S. JUD.

Summary: Current law, the Investigative Consumer Reporting Agencies Act, prohibits certain persons, including a person intending to use an investigative consumer report for employment purposes, from procuring or causing to be prepared the report unless certain conditions are met. Under that act, one of those conditions require the person procuring or causing the report to be made to provide a clear and conspicuous disclosure in writing to the consumer, at any time before the report is procured or caused to be made and in a document that consists solely of the disclosure, certain information. This bill would require that information to also include either all laws and regulations that impose restrictions or prohibitions for employment on the basis of a conviction, if any, or all the specific job duties of the position for which a conviction may have a direct and adverse relationship that has the potential to result in an adverse employment action, as described.

Military Lending

[AB 1143](#) ([Chen R](#)) **Military: lending protections.**

Location: 2/15/2023-A. PRINT

Summary: Federal law provides various protections regarding credit extended to members of the Armed Forces called to active duty, including, among others, limitations on the interest charged and mandatory disclosures. Current law makes a security interest in personal property, other than specified modes of transportation, void if it would cause a loan procured by a covered member in the course of purchasing the personal property to be exempt from the federal protections. Current law also makes a security interest in a motor vehicle void if it would cause a loan procured by a covered member to be exempt from the federal protections and that loan also funds the purchase of a credit insurance product or credit-related ancillary product. This bill would exempt from those provisions loans that comply with specified provisions of those federal protections.

Payment Systems

[AB 39](#) ([Grayson D](#)) **Digital financial asset businesses: regulatory oversight.**

Location: 1/26/2023-A. B. & F.

Summary: The Money Transmission Act generally prohibits a person from engaging in the business of money transmission, as defined, without a license from the Commissioner of Financial Protection and Innovation. This bill, the Digital Financial Assets Law, would, on and after January 1, 2025, prohibit a person from engaging in digital financial asset business activity, or holding itself out as being able to engage in digital financial asset business activity, with or on behalf of a resident unless any of certain criteria are met, including the person is licensed with the Department of Financial Protection and Innovation, as prescribed. The bill would define “digital financial asset” to mean a digital representation of value that is used as a medium of exchange, unit of account, or store of value, and that is not legal tender, whether or not denominated in legal tender, except as specified. This bill would, among other things, authorize the department to conduct examinations of a licensee, as prescribed, and would require a licensee to maintain, for all digital financial asset business activity with, or on behalf of, a resident for 5 years after the date of the activity, certain records, including a general ledger posted at least monthly that lists all assets, liabilities, capital, income, and expenses of the licensee.

[AB 843](#) ([Carrillo, Juan D](#)) **Electronic benefits transfer system.**

Location: 2/23/2023-A. HUM. S.

Summary: Current law provides that a recipient shall not incur any loss of cash benefits that are taken by an unauthorized withdrawal, removal, or use of benefits that does not occur by the use of a physical EBT card issued to the recipient or authorized third party, as specified, and requires the prompt replacement of those cash benefits. Current regulations also require food benefits that are stolen in this manner to be replaced. This bill would instead prohibit a recipient from incurring any loss of electronic benefits stolen in that manner, thereby codifying the existing regulation described above. To the extent this bill would expand county duties relating to the administration of food benefits, this bill would impose a state-mandated local program.

[SB 401](#) ([Limón D](#)) **Digital financial asset transaction kiosks.**

Location: 2/22/2023-S. B. & F. I.

Summary: Current law requires a bank, savings association, credit union, industrial loan company, savings bank, or other business entity, or a person who operates an automated teller machine to

adopt procedures for evaluating the safety of an automated teller machine, including, the incidence of crimes of violence in the immediate neighborhood of the automated teller machine as reflected in the records of the local law enforcement agency and of which the operator has actual knowledge. This bill would provide for the regulation of digital financial asset transaction kiosks, as defined, by the Department of Financial Protection and Innovation. The bill would, among other things, prohibit an operator, as defined, from accepting or dispensing more than \$1,000 in a day from or to a resident via a digital financial asset transaction kiosk. The bill would require an operator to provide a resident with a receipt for any transaction made at the operator's digital financial asset transaction kiosk that includes certain information, including the name of the resident and the date and time of the transaction.

Privacy

[AB 386](#) ([Nguyen, Stephanie D](#)) **California Right to Financial Privacy Act.**

Location: 2/17/2023-A. P. & C.P.

Summary: The California Right to Financial Privacy Act generally provides for the confidentiality of, and restricts access to, the financial records of people who transact business with, or use the services of, financial institutions or for whom a financial institution has acted as a fiduciary. Current law establishes an exception by authorizing various state and local agencies, when certification is made to a bank, credit union, or savings association by specified law enforcement entities that a crime report has been filed that involves the alleged fraudulent use of orders drawn upon a bank, credit union, or savings association in this state, to request from such a bank, credit union, or savings association, and requires the bank, credit union, or savings association to furnish, a statement setting forth certain information with respect to a customer account specified by the requesting party, for a period of 30 days before, and up to 30 days following, the date of occurrence of the alleged illegal act involving the account. This bill would expand the entities that may make such a certification to include an adult protective services agency and would expand the reports eligible for such a certification to include an elder or dependent adult abuse report.

[SB 362](#) ([Becker D](#)) **Data brokers: privacy.**

Location: 2/15/2023-S. JUD.

Summary: The California Consumer Privacy Act of 2018 (CCPA) grants a consumer various rights with respect to personal information that is collected or sold by a business, including the right to request that a business disclose specified information that has been collected about the consumer, to request that a business delete personal information about the consumer that the business has collected from the consumer, and to direct a business not to sell or share the consumer's personal information, as specified. The CCPA defines various terms for these purposes. The CCPA establishes the California Privacy Protection Agency (agency) and vests the agency with full administrative power, authority, and jurisdiction to enforce the CCPA. Existing law requires a data broker to register with the Attorney General, pay a registration fee, and provide specified information on or before January 31 following each year in which a business meets the definition of data broker. Current law defines various terms for these purposes. Existing law establishes the Data Brokers' Registry Fund and requires that these registration fees be deposited into the fund, to be available for expenditure by the Department of Justice, upon appropriation, for specified purposes. Current law provides that a data broker that fails to register as required by these provisions is liable for civil penalties, fees, and costs, as specified, and requires these moneys be deposited in the Consumer Privacy Fund with the intent that they be used to fully offset costs incurred in connection with these provisions. Current law requires the Attorney General to create

and maintain an internet website where specified information provided by data brokers is accessible to the public. This bill would incorporate the definitions from the CCPA into the data broker provisions described above. The bill would require a data broker to register with, pay a registration fee to, and provide information to, the agency instead of the Attorney General, and would require the agency to maintain the informational internet website described above. The bill would require a data broker to compile and disclose specified information relating to requests received under the CCPA.

Residential Lending

[AB 475](#) **(Mathis R) Sensitive military land: foreign ownership and interests: prohibited foreign actors.**

Location: 2/17/2023-A. JUD.

Summary: Would prohibit a prohibited foreign actor, as defined, from purchasing, acquiring, leasing, or holding an interest, as defined, in any land that is located within 50 miles of a United States military base or California National Guard base within the State of California. The bill would exempt land held by a prohibited foreign actor before January 1, 2024, from that prohibition. The bill would provide land transferred in violation of these provisions would be subject to divestiture, as specified. The bill would provide that these provisions may not be applied in a manner inconsistent with any provision of any treaty between the United States and another country.

[AB 671](#) **(Ward D) CalHome Program: accessory dwelling units.**

Location: 2/23/2023-A. H. & C.D.

Summary: Under the CalHome Program, funds may be used to enable low- and very low income households to become or remain homeowners, and to provide disaster relief assistance to households at or below 120% of that area median income. Current law also authorizes the Department of Housing and Community Development to make grants to local agencies or nonprofit corporations to construct accessory dwelling units and to repair, reconstruct, or rehabilitate, in whole or in part, accessory dwelling units and junior accessory dwelling units. This bill would require the department to allow a community land trust, as defined, that is a recipient of program funds to purchase residential real property in fee simple, to construct accessory dwelling units or junior accessory dwelling units on the property, and separately lease or convey each dwelling unit on the property to separate households.

[AB 743](#) **(Petrie-Norris D) Remote online notaries public.**

Location: 2/23/2023-A. JUD.

Summary: The California Public Records Act requires that public records, as defined, be available to the public for inspection and made promptly available to any person. This bill would authorize a notary public or an applicant for appointment as a notary public to apply for registration with the secretary to be a notary public authorized to perform online notarizations by submitting an application that meets certain requirements. The bill would also require an entity to register with the Secretary of State as an online notarization platform or depository before providing an online notarization system or depository, as defined, to an online notary public. The bill would require a representative of an online notarization platform to certify compliance with applicable laws under penalty of perjury. The bill also creates a civil cause of action against an online notarization platform or depository for a violation of those laws. The bill would require the Secretary of State to develop an application for registration and establish rules to implement the bill by January 1, 2028.

[AB 919](#) (Kalra D) Residential real property: sale of rental properties: right of first offer.

Location: 2/23/2023-A. JUD.

Summary: Would require an owner of residential real property, defined to include a single-family residential property that is occupied by a tenant or a multifamily residential property to take various actions before offering the residential real property for sale to any purchaser, soliciting any offer to purchase the residential real property, or otherwise entering into a contract for sale of the residential real property. The bill would exempt certain transfers of a residential real property from its provisions, including, among others, a transfer between spouses, domestic partners, parent and child, siblings, grandparent and grandchild, a transfer pursuant to a court order, and a transfer by eminent domain.

[AB 968](#) (Grayson D) Single-family residential property: disclosures.

Location: 3/30/2023-A. THIRD READING

Summary: Would require a seller of a single-family residential property who sells that single-family residential property to a buyer within 18 months of purchasing that single-family residential property to disclose to the buyer specified information, including any room additions, structural modifications, other alterations, or repairs made to the property since the seller purchased the property that were performed by a licensed contractor and the name of each licensed contractor with whom the seller entered into a contract with for the room additions, structural modifications, other alterations, or repairs, as specified. The bill would alternatively authorize a seller to satisfy these obligations by providing a list of room additions, structural modifications, other alterations, or repairs performed by, and provided by, the licensed contractor with whom the seller contracted for the room additions, structural modifications, other alterations, or repairs. The bill would require the seller to provide a copy of any permit for any room additions, structural modifications, other alterations, or repairs to the buyer or, if the seller contracted with a third party and was not provided with a copy of the permits, by informing the buyer that information on permits may be obtained from a third party and providing the third party's contact information. The bill would specify that these provisions apply to the sale of a single-family residential property where the seller and buyer enter into a contract or agreement for the property on or after July 1, 2024.

[AB 1033](#) (Ting D) Accessory dwelling units: local ordinances: separate sale or conveyance.

Location: 3/9/2023-A. H. & C.D.

Summary: The Planning and Zoning Law, authorizes a local agency, by ordinance or ministerial approval, to provide for the creation of accessory dwelling units in areas zoned for residential use, as specified. Existing law requires the ordinance to include specified standards, including prohibiting the accessory dwelling unit from being sold or otherwise conveyed separate from the primary residence, except as provided by a specified law. This bill would instead provide that an accessory dwelling unit may be sold or otherwise conveyed separate from the primary residence as provided by specified law, as described above, or by ordinance.

[AB 1043](#) (Essayli R) Residential real property: foreclosure.

Location: 3/30/2023-A. CONSENT CALENDAR

Summary: Current law prescribes various requirements to be satisfied before the exercise of a power of sale under a mortgage or deed of trust and prescribes a procedure for the exercise of that power. This bill would prohibit a person from contacting, soliciting, or initiating communication with an owner to claim the surplus funds from a foreclosure sale of the owner's residence before 90 days after the trustee's deed has been required.

[AB 1053](#) (Gabriel D) Housing programs: multifamily housing programs: expenditure of loan proceeds.

Location: 3/29/2023-A. APPR.

Summary: Current law establishes the Department of Housing and Community Development and requires it to administer various programs intended to promote the development of housing, including the Multifamily Housing Program, pursuant to which the department provides financial assistance in the form of deferred payment loans to pay for the eligible costs of development of specified types of housing projects. Current law sets forth various general powers of the department in implementing these programs, including authorizing the department to enter into long-term contracts or agreements of up to 30 years for the purpose of servicing loans or grants or enforcing regulatory agreements or other security documents. This bill would authorize a borrower to use any funds approved, reserved, or allocated by the department for purposes of providing a loan under any multifamily housing program under these provisions for construction financing, permanent financing, or a combination of construction financing and permanent financing, as provided.

[AB 1193](#) (Pacheco D) Real property: property records: personal identifying information.

Location: 3/16/2023-A. P. & C.P.

Summary: Would, except as specified, require a county recorder or other county official who manages a county's property records to establish a procedure that, among other things, redacts personal identifying information from property records and only allows access to an unredacted property record in person at the office of the county recorder or other county official who manages the county's property records. By mandating a new program and higher level of service on county recorders and other county officials who manage a county's property records, this bill would impose a state-mandated local program. The bill would define "personal identifying information" as a property address, a home address, an assessor's parcel number, and a property legal description. The bill would make related findings and declarations.

[AB 1242](#) (Wilson D) Real estate: contracts granting exclusivity to sell: one-year maximum.

Location: 2/16/2023-A. PRINT

Summary: Under the Real Estate Law, when a licensee prepares or has prepared an agreement authorizing or employing such licensee to perform any of the acts for which a broker is required to hold a license, or when such licensee secures the signature of any person to any contract pertaining to such services or transaction, the broker is required to deliver a copy of the agreement to the person signing it as soon as reasonably practicable after the time the signature is obtained, as specified. This bill would prohibit a real estate broker from entering into a contract that grants an agent the exclusive right to list or sell in excess of one year. The bill would prohibit the total damages or other compensation to be collected from a consumer for breach of a contract in violation of this limit, from exceeding the compensation, if any, paid to the consumer to enter into the contract. The bill would exempt a violation of the one-year maximum from the criminal sanctions.

[AB 1345](#) (Hart D) Contracts: Residential Exclusive Listing Agreements Act: prohibition.

Location: 2/16/2023-A. PRINT

Summary: The Consumers Legal Remedies Act makes unlawful specified unfair methods of competition and unfair or deceptive acts or practices undertaken by any person in a transaction intended to result or that results in the sale or lease of goods or services to any consumer,

including the passing off of goods or services as those of another. The act authorizes any consumer who suffers any damage as a result of the use or employment by any person of a method, act, or practice declared as unlawful under the act to bring an action against that person to recover or obtain certain remedies. This bill would enact the Residential Exclusive Listing Agreements Act. The act would make it unlawful for an exclusive listing agreement, as defined, to last longer than 12 months from the date the agreement was made and would make it unlawful to enforce, or to attempt to enforce, such an agreement. The act would make an exclusive listing agreement unrecordable and would make it unlawful to present for recordation, or otherwise attempt to record, an exclusive listing agreement or any memoranda or notice of the agreement.

[SB 455](#) ([McGuire D](#)) State of emergency: mortgage servicers: written disclosure.

Location: 3/29/2023-S. B. & F. I.

Summary: Would require a mortgage servicer servicing a mortgage with respect to a property located within the geographic limits of a proclaimed state of emergency or a local emergency that was the mortgage servicer at the time of the emergency proclamation to provide written disclosure to a transferee or purchaser mortgage servicer of certain information, including any contracts executed or agreements made to rebuild or repair a home damaged by the proclaimed emergency or to purchase a home to replace a home damaged by the proclaimed emergency, as specified. The bill would require a transferee or purchaser mortgage servicer to make a similar disclosure to a subsequent transferee or purchase mortgage servicer, as prescribed.

[SB 484](#) ([Newman D](#)) Escrow agents: customer contact centers.

Location: 3/29/2023-S. APPR.

Summary: The Escrow Law regulates escrow agents. The Escrow Law defines various terms for these purposes, including “customer contact center” as a facility operated by an Internet escrow agent, as defined by the Escrow Law, that exists solely for the purpose of responding to customer electronic messages and telephone inquiries, subject to specified limitations. This bill would change the definition of “customer contact center” to mean a facility operated by an escrow agent, as defined by the Escrow Law, for the purpose of remotely accessing an escrow file to further the processing of the escrow, including, but not limited to, responding to customer electronic messages and telephone inquiries, subject to specified limitations.

[SB 696](#) ([Portantino D](#)) Notaries public.

Location: 3/29/2023-S. JUD.

Summary: Current law authorizes the Secretary of State to appoint and commission notaries public in the number the Secretary of State deems necessary for the public convenience. Current law requires a notary public to keep one active sequential journal at a time of all official acts performed as a notary public. Current law authorizes notaries public to act as notaries in any part of the state and prescribes the manner and method of notarizations. Current law establishes various requirements to ensure the security of notary seals and imposes a civil penalty for a violation of those provisions. The California Public Records Act requires that public records, as defined, be available to the public for inspection and made promptly available to any person. This bill would give effect

to a notarial act performed in another state, under the authority and within the jurisdiction of a federally recognized Indian tribe, under federal law, or under the authority and within the jurisdiction of a foreign state, as if it were performed by a notarial officer of this state, if specified conditions are met. This bill would authorize a notary public or an applicant for appointment as a notary public to apply for registration with the secretary to be a notary public authorized to perform online notarizations by submitting an application that meets certain requirements.

[SB 755](#) (Becker D) Real property: climate mitigation and adaptation.

Location: 2/17/2023-S. RLS.

Summary: Would express the intent of the Legislature to enact legislation that requires that properties being offered for sale or lease include information that aids purchasers or renters in assessing the costs of climate mitigation and adaptation, as specified.

Taxation

[AB 259](#) (Lee D) Wealth Tax: False Claims Act.

Location: 3/30/2023-A. REV. & TAX

Summary: Would, for taxable years beginning on or after January 1, 2024, and before January 1, 2026, impose an annual tax at a rate of 1.5% of a resident of this state's worldwide net worth in excess of \$1,000,000,000, or in excess of \$500,000,000 in the case of a married taxpayer filing separately. The bill would, for taxable years beginning on or after January 1, 2026, impose an annual tax at a rate of 1% of a resident's worldwide net worth in excess of \$50,000,000, or in excess of \$25,000,000 in the case of a married taxpayer filing separately. The bill would also impose, for taxable years beginning on or after January 1, 2026, an additional tax at a rate of 0.5% of a resident's worldwide net worth in excess of \$1,000,000,000, or in excess of \$500,000,000 in the case of a married taxpayer filing separately. The bill would describe worldwide net worth with reference to specific federal provisions and would provide that worldwide net worth does not include specific assets, including personal property situated out of state, directly held real property, or liabilities related to directly held real property. The bill would also authorize the Franchise Tax Board to adopt regulations to carry out these provisions, including regulations regarding the valuation of certain assets that are not publicly traded. The bill would require new certifications by taxpayers, made under penalty of perjury.

[ACA 3](#) (Lee D) Wealth tax: appropriation limits.

Location: 1/19/2023-A. PRINT

Summary: Would authorize the Legislature to impose a tax upon all forms of personal property or wealth, whether tangible or intangible, and would require any tax so imposed to be administered and collected by the Franchise Tax Board and the Department of Justice, as determined by the Legislature in statute. The measure would authorize the Legislature to classify any form of personal property or wealth for differential taxation or for exemption by a majority vote.

[AB 1456](#) (Patterson, Joe R) Income taxes: credit: guest lectures.

Location: 3/9/2023-A. ED.

Summary: The Personal Income Tax Law and the Corporation Tax Law allow various credits against the taxes imposed by those laws. This bill, for taxable years beginning on or after January 1, 2024, would allow a credit against those taxes to a business whose qualified employee, as

defined, provides a qualified guest lecture, as specified, to students enrolled in kindergarten or any of grades 1 to 12, inclusive, at a public or private school, including a charter school or an alternative school, located in the same city as the business, in an amount equal to \$500 per qualified guest lecture during the taxable year, not to exceed \$1,000 per taxable year.

Trust and Estates

[AB 288](#) ([Maienschein D](#)) **Revocable transfer on death deeds.**

Location: 2/2/2023-A. JUD.

Summary: Current law, until January 1, 2032, governs the execution, revocation, and effectiveness of a revocable transfer on death (TOD) deed, which is an instrument that makes a donative transfer of real property to a named beneficiary that becomes operative on the transferor's death, but remains revocable until the transferor's death. Under current law, a separate interest in a stock cooperative is not real property that may be transferred by a revocable TOD deed. This bill would authorize the transfer of real property by revocable TOD deed even if ownership is not typically evidenced or transferred by use of a deed, and would authorize the transfer of an interest in a stock cooperative by revocable TOD deed subject to any limitation on the transferor's interest. If a stock cooperative exercises an option to purchase property transferred by revocable TOD deed on the transferor's death, the bill would specify that the property is transferred to the stock cooperative and the purchase price is paid to the beneficiary.

[AB 717](#) ([Villapudua D](#)) **Trusts.**

Location: 2/13/2023-A. PRINT

Summary: A revocable living trust is a trust created during one's lifetime in which a trustee invests and manages assets for a beneficiary on the terms specified by the person who created the trust. This bill would state the intent of the Legislature to subsequently enact legislation to create a program to educate low- and moderate-income homeowners about the resources available to access funding for higher education, and to preserve generational wealth, by creating a revocable living trust.

[AB 1756](#) ([Committee on Judiciary](#)) **Committee on Judiciary: judiciary omnibus.**

Location: 3/16/2023-A. JUD.

Summary: Current law requires the Attorney General to maintain the Registry of Charitable Trusts, a register of charitable corporations, unincorporated associations, and trustees holding property for charitable purposes and fundraisers. Current law also establishes the Registry of Charitable Trusts Fund in the State Treasury, and directs all registration fees, registration renewal fees, and late fees or other fees paid to the Department of Justice in relation to the Registry of Charitable Trusts be deposited into the fund. This bill would change the name of the Registry of Charitable Trusts to the Registry of Charities and Fundraisers. The bill would also change the name of the Registry of Charitable Trusts Fund to the Registry of Charities and Fundraisers Fund. The bill would also make conforming changes.

[SB 522](#) ([Niello R](#)) **Uniform Fiduciary Income and Principal Act.**

Location: 2/22/2023-S. JUD.

Summary: The Uniform Principal and Income Act generally sets forth the powers and duties of a fiduciary of a trust. These powers and duties are related to, among other matters, the allocation of receipts and disbursements between principal and income, making adjustments between principal and income, and converting a trust to a unitrust. This bill would repeal the Uniform Principal and

Income Act, and would recast, revise, and expand those provisions as the Uniform Fiduciary Income and Principal Act, for similar purposes. The bill would define relevant terminology in this regard. The bill would expressly provide that its provisions, with specified exceptions, apply when California is the principal place of administration of a trust or estate or the situs of property that is not held in a trust or estate and is subject to a life estate or other term interest, as specified.

[SB 801](#) (Allen D) California Uniform Directed Trust Act.

Location: 3/1/2023-S. JUD.

Summary: Current law establishes procedures for the creation, modification, and termination of a trust and regulates the administration of trusts by trustees on behalf of beneficiaries. This bill would enact the California Uniform Directed Trust Act to provide a method for regulating trusts where a person who is not a trustee has been given a role in directing the trust. The bill would set forth the duties and responsibilities of the trust director and the duties and responsibilities of the directed trustee, including specifying what powers may be given to a trust director and the information required to be exchanged by the trust director and the directed trustee. The bill would require a directed trustee to take reasonable action to comply with a trust director's exercise or nonexercise of a power of direction, except that the directed trustee is not required to comply with a trust director's exercise or nonexercise of a power of direction to the extent that, by complying, the trustee would engage in willful misconduct. The bill would exempt from duties and liabilities under the act a trust director who is licensed, certified, or otherwise authorized or permitted by law to provide health care in the ordinary course of the director's business or practice of a profession, to the extent the director acts in that capacity.